

AMI Meter Oversight

Presentation to the Committee on Oversight
Michigan House of Representatives
December 2, 2014

Michigan Public Service Commission
Department of Licensing and Regulatory Affairs



MICHIGAN PUBLIC SERVICE COMMISSION

AMI Meters

- AMI: Advanced Metering Infrastructure”
- AKA, “smart meters”
- AMI systems “combine meters with two-way communication capabilities. These systems typically are capable of recording near-real-time-data on power consumption and reporting that consumption to the utility at frequencies of an hour or less.”*

*Source: MIT *The Future of the Electric Grid*, 2011, as quoted in MPSC Staff Report In Case No. U-17000



MICHIGAN PUBLIC SERVICE COMMISSION

MPSC Case No. U-17000

- Opened January 12, 2012
- MPSC Staff Investigation
- Questions for utilities regarding:
 - Smart meter deployment plans
 - Investments
 - Benefits
 - Health and Safety
 - Data Privacy
 - Opt-out Provisions
- Public Comment Period
- Staff Report Issued June 29, 2012



MICHIGAN PUBLIC SERVICE COMMISSION

Recommendations and Conclusions

- Health Effects
 - A careful review of scientific literature shows health risk from smart meters is insignificant.
 - The appropriate federal health and safety regulations provide assurance that smart meters represent a safe technology.
- Data Privacy
 - The Staff recommended that all stakeholders identify and implement privacy policy considerations through administrative rules, tariffs, orders and/or other means.
- Opt-Out
 - The Staff concluded that an opt-out option or options is the best solution for customers who have concerns about smart meters.
 - The Staff recommended that ratemaking for the opt-out provision should be based on cost of service principles.



MICHIGAN PUBLIC SERVICE COMMISSION

Subsequent MPSC Actions

- Case No. U-17000:
 - MPSC Accepts Staff Report
 - Requires DTE and Consumers to file application to implement “cost-based opt-out tariff” within 60 days
 - Opens new docket to examine data privacy concerns (U-17102)



MICHIGAN PUBLIC SERVICE COMMISSION

Data Privacy

- Case No. U-17102
- Utility must obtain informed consent from customers in advance if the utility wishes to collect, use, or disclose customer information for a secondary, non-utility purpose
- Customers have right to access their data, share their data with third parties, and request to correct data
- Utility must display a link to customer data privacy tariff prominently on its website



MICHIGAN PUBLIC SERVICE COMMISSION

Opt-Out

- Provides customers with the ability to opt out of having a transmitting AMI meter installed
- Cost-based
- DTE Energy: Case No. U-17053
 - \$67.20 upfront fee; \$9.80 monthly charge
- Consumers Energy: Case No. U-17087
 - \$69.39 upfront fee; \$9.72 monthly charge



MICHIGAN PUBLIC SERVICE COMMISSION

MPSC Rules

- Metering equipment is the property of the utility, and is required to be able to obtain electric or gas service.
- **Rule 460.3409:** The customer shall use reasonable diligence to protect utility-owned equipment on the customer's premises and to prevent tampering or interference with the equipment. The utility may shut off service in accordance with the applicable rules of the commission if the metering or wiring on the customer's premises has been tampered with or altered in any manner that allows unmetered or improperly metered energy to be used or to cause an unsafe condition.
- **Rule 460.137:** Subject to the requirements of these rules, a utility may shut off or terminate service to a residential customer for any of the following reasons:
 - ...
 - (e) The customer has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment that is installed upon the premises, or for the removal of a meter.



MICHIGAN PUBLIC SERVICE COMMISSION

Complaint Process

- MPSC Staff takes informal complaints from utility customers
- Works with customers and utilities to determine if any MPSC Rules/statutes have been violated
- If so, will work to redress customer complaint
- If not, will follow up with customers on original inquiry
- If customer is unsatisfied with the outcome, may file a formal complaint to seek MPSC judgment



MICHIGAN PUBLIC SERVICE COMMISSION

Questions?

www.michigan.gov/mpsc



MICHIGAN PUBLIC SERVICE COMMISSION

